Appendix E. Income Imputation

Q53 asked: "During 2007, what was your total family income before taxes?" 376 respondents either refused to answer this question or said they did not know. A two-stage hot deck procedure was used to impute incomes for these missing values.

The first stage of the procedure took advantage of the bracketing information available from followup questions to the income item. Of the 376 respondents who did not respond to Q53, 146 did respond to followup questions that allowed the Team to bracket their incomes from above and/or below. Cases were classified by their income brackets, excluding those cases who reported no information at all about income.[1] Cases were sorted into imputation classes based on these brackets and income values were taken from neighboring observations with complete income data.

An additional 230 respondents provided no information about their household incomes. In the second stage, these nonresponding cases were grouped along with the remaining cases into classes formed from four survey variables: respondent sex, a dichotomous education variable (high-school graduate vs. all others), a dichotomous race variable (whites versus all others), and a categorical variable based on the 1999 median household income for the respondent's Census block. Missing incomes were imputed, again, by drawing values from neighboring "donors" (observations with valid values for the income variable).

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1. Respondents who reported zero incomes were dropped from the hot decking procedure so that they would not be used as donor observations. They were returned to the sample, as is, after the hotdecking procedure was completed.